

## EXPLANATORY MEMORANDUM TO THE DRAFT

### GUARDIAN'S ALLOWANCE UP-RATING (NORTHERN IRELAND) ORDER 2006

2006 No.956

1. This explanatory memorandum has been prepared by Her Majesty's Revenue and Customs and is laid before Parliament by Command of Her Majesty.

2. **Description**

This Order increases, from 10 April 2006, Guardian's Allowance as set out in the Pre-Budget Report on 5 December 2005.

3. **Matters of special interest to the Joint Committee on Statutory Instruments.**

The Joint Committee will wish to note that on this occasion there is no provision in the Order increasing the amount of Child Benefit. This is because the principal Regulations in respect of Child Benefit and the instruments which provide the conditions of entitlement for, and rates of, Child Benefit are being replaced by new instruments (the Child Benefit (General) Regulations 2006 and the Child Benefit (Rates) Regulations 2006). The latter instrument provides for increased rates of Child Benefit with effect from 10<sup>th</sup> April which are in line with the adjustment made by the present instrument for Guardian's Allowance.

4. **Legislative Background**

A draft of this Order is laid before Parliament in accordance with the provisions of section 132 of the Social Security Administration (Northern Ireland) Act 1992 for approval by resolution of each House of Parliament. This Order is made in exercise of the powers conferred by sections 132(1), 165(4) and 166(10A) of the Social Security Administration (Northern Ireland) Act 1992.

5. **Extent**

This instrument applies to Northern Ireland.

6. **European Convention on Human Rights**

The Paymaster General, Dawn Primarolo has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Guardian's Allowance Up-rating Order (Northern Ireland) 2006 are compatible with the Convention rights.

7. **Policy background**

7.1 Section 150(1)(a)(i) of the Social Security Administration Act 1992 ("the

Great Britain Administration Act”) requires the Treasury to review the weekly rate of Guardian’s Allowance. Section 150(2) of this Act requires Guardian’s Allowance to be increased in line with prices.

- 7.2 Guardian’s Allowance is increased by 2.7%, in line with the increase in the Retail Price Index.
- 7.3 Section 132(1) of the Social Security Administration (Northern Ireland) Act 1992, provides that, whenever the Treasury make an Order under section 150 of “the Great Britain Administration Act”, they may make corresponding provision in respect of Northern Ireland.
- 7.4 The Order provides for increases to take effect in the week commencing 10 April 2006.

## **8 Impact**

- 8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.
- 8.2 The cost of the provisions in this Order is negligible.

## **9. Contact**

Anne Berriman at HM Revenue and Customs [tel: 020 7147 2470 or e-mail: Anne.Berriman@hmrc.gsi.gov.uk] can answer any queries regarding the instrument.